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**To:** <SenGVanWoerkom@senate.michigan.gov>  
**Date:** 6/13/2007 4:30 PM  
**Subject:** SB 501-504

SB 501-504 allows for further deregulation of CAFOs. (Contained Animals Feeding Operations). While at first blush this deregulation appears to be economically wise (bringing more business to Michigan), CAFOs are incredibly harmful to a state in the following ways.

1. CAFOs are owned by business conglomerates. (John Morell, Tyson, ConAgra, Cargill). These conglomerates, as of 2002, controlled 80% of the food industry of the United States. These conglomerates own farms, slaughterhouses, food processing and packaging factories. (vertical integration). These conglomerates are able to realize a loss on one portion of their business in order to realize a greater profit in another area of their conglomerate. This is what puts competitors out of business.

How this has happened in many, many states is that Farmer A of a certain state raises hogs. His real cost to raise them is, let's say, 86 cents per pound. When he takes them to the auction where the slaughterhouse purchases them, he needs, again let's say, 95 cents per pound. At the auction he is competing with animals raised in CAFOs. While the cost to raise the animals in CAFOs would be somewhat comparable, CAFOs (who OWN the slaughter houses) will sell the animals to the slaughterhouses for 88 cents a pound. While the CAFO might realize a loss, the slaughterhouse then makes more of a profit. This all washes out for the conglomerate, but has a devastating effect on the small farmer, the small businessman.

Putting a number of small business out of business (there is no way to compete with a conglomerate, really, particularly in the farming industry) in order to bring in a large conglomerate does not appear wise. Most small businesses are owned by residents who pay a number of taxes to the state. Conglomerates pay as few taxes as possible.

To allow corporate farms to control marketplace competition is tantamount to permitting monopolies.

2. The contamination from these CAFOs which house thousands of animals at a time have polluted and put at risk waters in North Carolina, Oklahoma, on the DelMarVa peninsula, in Wisconsin, Colorado, Illinois, Missouri and Texas and Virginia. Some of these corporations have had to pay huge fines. There is a wealth of information on this subject, but the net result is that these companies pollute and, if caught, pay fines. The pollution to these waterways affects the environment and ultimately humans. The cost to the people of Michigan is too great to allow such farming practices.

3. There are air quality concerns regarding CAFOs. The Spira-Grace Project, based out of John Hopkins University, studies the effects of humans' exposure to the concentrated manure generated by CAFOs.

4. The AMA recognizes that there is a growing public health problem from the antibiotics that are given to the thousands of animals in such cramped quarters and then ingested by humans. There are residents of Michigan who have worked at such places and who would readily speak to the amount of antibiotics

these animals are given.

5. Studies have shown that CAFOs drain rural areas of population, farm jobs, and income.

The STate of Michigan can survive by allowing small, independent farms to flourish. What small farms needs is not competiton from out-of-state conglomerates whose sole purpose is to drain and thwart competition.

I urge you not to pass SB 501-504.

Thank you.

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